



# Commonwealth of Virginia

## Auditor of Public Accounts

Walter J. Kucharski  
Auditor of Public Accounts

P.O. Box 1295  
Richmond, Virginia 23218

January 10, 2012

The Honorable Joseph S. Tate  
Chief Judge  
County of Smyth General District Court  
109 West Main Street, Room 231  
Marion, VA 24354

Audit Period: July 1, 2010 through June 30, 2011  
Court System: County of Smyth  
Judicial District: Twenty-eighth

We are performing a statewide audit of the General District Courts. During our review of this court, we conducted certain audit procedures, as we deemed appropriate.

Management of this court is an important part of the court's accountability, since you are responsible for establishing and maintaining internal controls and complying with applicable laws and regulations. During our review, we noted certain matters that required management's attention and corrective action. These matters included:

### Transfer Excess Credit Card Fees

The Clerk held excess credit card surcharge fee collections of \$2,650, rather than depositing them with the State Treasurer. The courts collect a fee to cover credit card surcharges, whenever defendants pay their fines and cost with a credit card.

The court pays the surcharge fee monthly, when they receive their credit card statement and the Financial Management System User's Guide requires that the clerks maintain an average of three-months of surcharge payments in the credit card surcharge account.

An analysis of the surcharge payment for the past fiscal year found the average three-month balance should be \$4,150 and the Clerk had \$6,750. We recommend the Clerk deposit the excess credit card surcharge fee of \$2,650 into the State Treasury.

We acknowledge the cooperation extended to us by the Court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK: alh

cc: The Honorable Sage B. Johnson, Judge  
Heidi Zumpf Campbell, Clerk  
Paul F. DeLosh, Director of Judicial Services  
Supreme Court of Virginia